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**ROSEVILLE MAN PLEADS GUILTY IN  
INVESTMENT FRAUD SCHEME**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that W. RICHARD GARBRICK, 40, of Roseville, pleaded guilty to two counts of mail fraud, and one count of wire fraud arising from a scheme to defraud client investors. He faces a maximum penalty of up to five years in prison, a three-year term of supervised release, and a fine of \$250,000 on each count. Sentencing before U.S. District Court Judge William B. Shubb was scheduled for January 7, 2004.

GARBRICK, who operated an investment advisory business under the names of Garbrick and Associates, and S&G Financial Service, marketed high yield investment schemes to his investment clients. According to Assistant U.S. Attorney Benjamin B. Wagner, who is prosecuting the case, GARBRICK admitted in his guilty plea that he made false representations to his clients about the nature and safety of their investments, used client funds to repay other clients in a Ponzi scheme, and he made false "lulling" statements to clients who inquired about the status of their investments. In addition, GARBRICK admitted that while he forwarded some of his clients' funds to others, purportedly to be invested, he also diverted substantial client funds to his own use, including salary, rent, car payments and credit card bills. GARBRICK agreed in his plea agreement that his conduct had caused between \$350,000 and half a million in losses to his victim clients.

The case was investigated by the Federal Bureau of Investigation.

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